

Exhibit 1

VOLKSWAGEN

AKTIENGESELLSCHAFT

Half-Yearly Financial Report

JANUARY – JUNE 2020

promising approach to electric mobility for generations to come. Volkswagen has already been collaborating with QuantumScape since 2012 and is the largest automotive shareholder thus far. Both founded a joint venture in 2018, the aim of which is to prepare the mass production of solid-state batteries for Volkswagen. The new investment of up to USD 200 million and the associated increase in the shareholding is still subject to various conditions precedent.

NEW DATE FOR THE 2020 ANNUAL GENERAL MEETING AND PROPOSED DIVIDEND

September 30, 2020 has been set as the new date for the Annual General Meeting for fiscal year 2019. After the Annual General Meeting, originally scheduled for May, was postponed due to the spread of coronavirus, the meeting in September will not be conducted in the usual manner either. To protect the health of shareholders, employees and service providers, this year's Annual General Meeting will be held on a virtual platform. At the same time as announcing the new date, the Management has also submitted an amended proposal on the appropriation of net retained profits. The enormous disruption to all areas of everyday life and economic activity caused by the Covid-19 pandemic has also affected the Volkswagen Group worldwide. Given the scale and extent of the impact and the current inability to reliably estimate future developments, the Board of Management and the Supervisory Board have resolved to now propose to the Annual General Meeting a dividend of €4.80 per ordinary share and €4.86 per preferred share. The Company's Management has thus amended the proposal on the appropriation of net retained profits previously announced for fiscal year 2019, which had originally been €6.50 per ordinary share and €6.56 per preferred share. The remaining net retained profits of €855 million will be carried forward to new account. Volkswagen AG continues to be committed to the aim laid down in its Group strategy of achieving a payout ratio of at least 30%.

CASH COMPENSATION SET FOR AUDI SHAREHOLDERS

As part of the planned squeeze-out at AUDI AG under the German Stock Corporation Act, Volkswagen AG announced on June 16, 2020 that the cash compensation for the transfer of shares held by minority shareholders had been set at €1,551.53 per share. The resolution on the transfer is due to be passed at AUDI AG's next Annual General Meeting, which will take place on July 31, 2020.

FIRST JUDGMENT BY FEDERAL COURT OF JUSTICE IN DIESEL LITIGATION

On May 25, 2020, the Bundesgerichtshof (BGH – Federal Court of Justice) handed down its first decision ever in an individual product-related lawsuit in connection with the diesel issue. The BGH held that the buyer, who had purchased a vehicle with a type EA 189 engine prior to public disclosure of the diesel issue, had a claim for damages against Volkswagen AG. While the buyer can require reimbursement of the vehicle's purchase price, he must accept a deduction for the benefit derived from using the vehicle and must return it to Volkswagen AG. The judgment clarifies the BGH's stance on the fundamental issues underlying a large number of the some 65 thousand individual diesel lawsuits still pending in Germany. In the course of two hearings held in July 2020, the BGH indicated that it was inclined to reject a claim to tort interest by vehicle buyers.

MARKET MANIPULATION PROCEEDINGS TERMINATED

Against payment in each case of a court-imposed sum of €4.5 million, the Braunschweig Regional Court on May 20, 2020 definitively terminated the criminal proceedings against the Chairman of the Supervisory Board of Volkswagen AG, Hans Dieter Pötsch, and the Chairman of the Board of Management of Volkswagen AG, Dr. Herbert Diess, on suspicion of violation of the Securities Trading Act in connection with the diesel issue. The proceedings against Volkswagen AG as collateral participant have also been terminated to this extent.

After careful consideration and deliberation, the Supervisory Board of Volkswagen AG has decided to relieve Mr. Pötsch and Dr. Diess of the burden of making these payments.